

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5103-01
Bill No.: Truly Agreed To and Finally Passed HB 1219
Subject: Employees- Employers; Housing; Public Buildings
Type: Original
Date: March 26, 2012

Bill Summary: This proposal modifies the law relating to the Missouri Human Rights Act and employment discrimination.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Federal Funds	(\$1,185,378)	(\$1,185,378)	(\$1,185,378)
Total Estimated Net Effect on <u>All</u> Federal Funds	(\$1,185,378)	(\$1,185,378)	(\$1,185,378)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Labor and Industrial Relations (DOLIR)** assume the federal fiscal impact was calculated by using the current EEOC and HUD contract amounts and the costs of additional staff. The total for MCHR's current contract with HUD equals \$425,428. The current contract amount with EEOC is currently \$759,950. The fiscal impact at this time is \$1,185,378.

Officials at the **Office of Administration** assume that while the proposal would impact the manner in which employment cases are adjudicated, it is difficult to estimate the actual fiscal impact. Therefore, the impact is unknown.

Officials at the **Department of Conservation** assume an unknown negative impact of less than \$100,000 to the Conservation Fund from this proposal.

Officials at the **University of Missouri** assume the provisions of Section 213.200, RSMo, would likely result in adverse fiscal consequences for the University in excess of \$100,000. Under current state of the law, the University of Missouri has sovereign immunity from wrongful discharge cases. When such actions are brought against the University, they are usually dismissed by the court in the early stages of litigation and almost always prior to trial. Section 213.200, RSMo, would legislatively authorize wrongful discharge actions premised upon protected whistle-blowing activities. Such legislation may be interpreted as a statutory waiver of sovereign immunity enjoyed by the University of Missouri, other state governmental entities and local governmental entities.

Officials at the **Special School District** assume a positive impact by reducing legal fees in employment cases. The estimated impact is about \$25,000 per year.

Officials at the **Parkway School District** and **St. Charles Community College** assume an unknown impact.

Officials at the **Linn State Technical College, Metropolitan Community College, Missouri State University, Missouri Western State University, Northwest Missouri State University, Office of State Courts Administrator**, and the **University of Central Missouri** assume that there is no fiscal impact from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
FEDERAL FUNDS			
<u>Loss - Dept of Labor</u>			
EEOC & HUD contracts	<u>(\$1,185,378)</u>	<u>(\$1,185,378)</u>	<u>(\$1,185,378)</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>(\$1,185,378)</u>	<u>(\$1,185,378)</u>	<u>(\$1,185,378)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2013 (10 Mo.)	 FY 2014	 FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

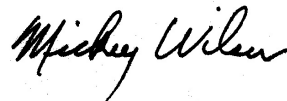
FISCAL DESCRIPTION

This proposal changes the laws regarding unlawful discriminatory employment practices under the Missouri Human Rights Law and establishes the Whistleblower Protection Act.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Labor and Industrial Relations
Linn State Technical College
Metropolitan Community College
Missouri State University
Missouri Western State University
Northwest Missouri State University
Office of Administration
Office of State Courts Administrator
Parkway School District
Special School District
St. Charles Community College
University of Central Missouri
University of Missouri

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 26, 2012